

**COUNTY BOARD OF COMMISSIONERS  
EQUALIZATION AND APPORTIONMENT COMMITTEE**

**October 5, 2004**

A regular meeting of the Chippewa County Board of Commissioners Equalization and Apportionment Committee was held on Tuesday, October 5, 2004 at the Chippewa County Courthouse in Sault Ste Marie, Michigan. Chairman James Moore called the meeting to order at 5:15 pm with a quorum present.

MEMBERS PRESENT: James Moore, Chairman, Rita Dale, and Don Cooper

MEMBERS ABSENT: None

OTHERS PRESENT: Sharon Kennedy, Equalization Director

**Additions/Deletions to the Agenda**

Chairman Moore called for changes to the agenda. The year of the Millage and Apportionment Report, under agenda item F was corrected to **2004**. The County's proposed 2004 tax rate request was also added to the agenda.

No other additions/deletions to the agenda were offered and the agenda was accepted as corrected.

**Agenda Item: 2004 Tax Rate Request.**

Equalization Director Kennedy explained the process of establishing the county's annual tax rates and presented a copy of correspondence directed to Controller Tim Dolehanty dated May 6, 2004, which discusses the various millage rates, the county 2004 tax revenue projections for the 2005 budget, and the process of adopting the millage rates.

It was moved by Commissioner Dale and seconded by Commissioner Cooper that the County Board of Commissioners at its October session adopt the following millage rates and that the rates and the revenue projections be made a part of the 2005 budget:

ALLOCATED OPERATING MILLAGE	6.0373
VOTED FIRE/AMBULANCE MILLAGE	.4213
VOTED ROADS MILLAGE	.9779
VOTED RECYCLE MILLAGE	.4908
VOTED JAIL MILLAGE	.6000
TOTAL	8.5273

***On a voice vote, the motion was CARRIED.***

**Agenda Item: 2004 Millage Report**

Equalization Director Kennedy presented the 2004 Millage Report, which details all of the millages to be levied in 2004. She explained that according to statute, the County Board of Commissioners must apportion all millages which will be levied in the County in the current year. She further explained that the millage report is a compilation of the tax rate requests submitted to the county by the city, village of Detour, townships and schools and that the report will be used to complete the annual apportionment report required to be filed with the State. The commissioners reviewed the report carefully asking numerous questions about taxable values and the various millage rates shown on the report. It was noted that last year 5 mills was levied for State Education Tax in the summer and that this year the State levied 6 mills. It was also noted that there are four millage questions that will appear on the November ballot, and that likely the Millage Report and Apportionment Report will be amended and will need to be presented again at the November session of the Board of Commissioners. Drummond Island, Kinross, Sugar Island and the County all have millage questions on the November ballot.

The commissioners discussed that even though the millages might change in November, statute requires that the County apportion the millages legally in place at its October session.

It was moved by Commissioner Dale and seconded by Commissioner Cooper that the Millage Report be adopted as presented and that the Clerk and Equalization Director be authorized to complete and submit the Annual Apportionment Report to the State of Michigan as required by statute.

***On a voice vote, the motion was CARRIED.***

Equalization Director Kennedy then reviewed the status of the County's equalization studies, the vacant land studies, tax roll preparation procedures, software updates, and 2005 budget needs.

**Commission Comments**

There were no additional comments from the Commission.

**Chairman's Comments**

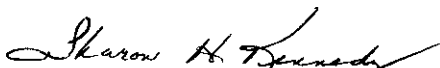
Chairman Moore had no additional comments.


**Adjourn**

Commissioner Dale, seconded by Commissioner Cooper, moved it to adjourn the meeting.

***On a voice vote, the motion was CARRIED.***

The meeting was adjourned at 6:30 pm.

  
Sharon H. Kennedy, Recorder

  
James Moore, Chairman



**CHIPPEWA COUNTY  
BOARD OF COMMISSIONERS  
EQUALIZATION AND APPORTIONMENT COMMITTEE**

*Jim Moore, Chairman*

**NOTICE OF MEETING**

The Chippewa County Board of Commissioners Equalization and Apportionment Committee  
will hold a regular meeting on Tuesday, October 5, 2003 beginning at 5:30 p.m.  
in the Controller's Office of the Chippewa County Courthouse in Sault Ste. Marie, Michigan

**TENTATIVE AGENDA**

- A. CALL TO ORDER AND ROLL CALL**
- B. ADDITIONS / DELETIONS TO THE AGENDA**
- C. APPROVAL OF THE AGENDA**
- D. PUBLIC COMMENTS**
- E. CORRESPONDENCE AND INFORMATION ITEMS**
- F. AGENDA ITEMS**
  - 1. *2005 Millage and Apportionment Reports (Sharon Kennedy, Equalization Director)*
  - 2. Other
- G. COMMITTEE COMMENTS**
- H. CHAIRMAN'S COMMENTS**
- I. ADJOURN**

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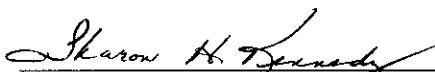
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Sharon H. Kennedy, Recorder

\_\_\_\_\_  
James Moore, Chairman

## MEMORANDUM

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**to:** Tim Dolehanty, Chippewa County Controller  
**from:** Sharon H. Kennedy, Chippewa County Equalization Director  
**subject:** 2004 Tax Rates  
**date:** May 6, 2004

It will soon be time to begin the process of determining what millages the County will levy in **2004** and establishing preliminary revenue needs for the **2005** budget.

To aid us in our budgetary process and in determining our millage rates for 2004, I have enclosed the following documents which provide information relative to the millage the County can levy this year:

1. 2004 Tax Rate Request Form (L4029), which shows the maximum millage rates for the county levy after application of the Headlee and Truth in Equalization multipliers.
2. 2004 Ad Valorem and Specific Taxes revenue projections for each of the various millages the County is entitled to levy.

In the past, prior to actually establishing our various millage rates, we went through the TRUTH IN TAXATION process which is quite lengthy and requires two meetings of the County Board and several intricate calculations in order to establish the Base Tax Rate.

Now, however, pursuant to amending legislation passed in 1995 (MCL 211.24e(2) and (3)), we can establish our operating rates after complying with Section 16 of the Uniform Budgeting and Accounting Act (MCL 141.436), which is also referred to as the TRUTH IN BUDGETING ACT.

Since complying with the Uniform Budgeting and Accounting Act is less cumbersome and less expensive, I recommend that the County Board follow those procedures in establishing its annual millage rates.

According to my calculations after applying the proper reduction fractions, the County can levy **operating millage of 8.6508** on the 2004 tax roll, as follows:

ALLOCATED OPERATING	6.0373
VOTED OPERATING, ROADS	0.9779
VOTED OPERATING, FIRE/AMB	0.4213
VOTED OPERATING, RECYCLING	0.4908
VOTED JAIL DEBT & MAINTENANCE	0.7235*

Although the county can levy .7235 mil for the jail, we have for the past several years levied .6 mil for the Jail operating/debt retirement millage. A levy of .7235 mil against our current taxable value of \$802,649,760 would generate 580,717; and .6 mil will generate \$481,589 before adjustment for tax tribunal/board of review changes. Before adjustment, each .1 mil would generate \$80,264 in revenue.

It should be noted that PA 38 of 1999, which became effective August 1, 1999, changed the rounding of operating millage rates and tax bills. The mills cited above have been calculated in compliance with that public act.

According to statute, prior to the County's October Board of Commissioners' meeting, the County must determine the millage rates it intends on levying this December and hold its Truth in Budgeting/Taxation Hearing. Furthermore, once the rates have been established, a Tax Rate Request form must be completed, and all of the December levy rates for each taxing jurisdiction in the County will be apportioned by the County Board of Commissioners at its October meeting.

After the County has determined what millage rates it needs in order to support our budgetary requirements, please complete the enclosed Tax Rate Request form.

Please don't hesitate to contact me should you require further information.

2004 TAX RATE REQUEST (This form must be completed and submitted on or before October 1,

2004 Copy to: Equalization Department(s)  
Each Township or city clerk

MILLAGE REQUEST REPORT TO COUNTY BOARD OF COMMISSIONERS

DATE:

05/06/04

County	2004 Taxable Value of ALL Properties in the Unit as of Last Monday in May		2004
CHIPPEWA			802,649,760
Local Governmental Unit			
CHIPPEWA	COUNTY		

This form must be completed for each unit of government for which a property tax is levied. Penalty for non-filing is provided under MCL Section 211.119.  
The following tax rates have been authorized for levy on the tax roll for the above year

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
			Original Millage Authorized by Election, Charter, etc.	2003 Millage Rate Permanently Reduced by MCL 211.34d	2004 Current Year "Headlee" Millage Reduction Fraction	2004 Millage Rate Permanently Reduced by MCL 211.34d	Sec 211.34 Truth in Assessing or Equalization Millage Rollback Fraction	Maximum Allowable Millage Levy*	Millage Requested to be Levied	Millage Requested to be Levied	Expiration Date of Millage Authorized
SOURCE	PURPOSE OF MILLAGE	Date of Election							July 1	Dec 1	
ALLOCATED	OPER	08/02	6.1500	6.0897	0.9914	6.0373	1.0000	6.0373		6.0373	2006
VOTED	FIRE/AMB	08/02	0.4293	0.4250	0.9914	0.4213	1.0000	0.4213		0.4213	2005
VOTED	ROADS	03/02	1.0000	0.9864	0.9914	0.9779	1.0000	0.9779		0.9779	2006
VOTED	RECYCLE	08/02	0.5000	0.4951	0.9914	0.4908	1.0000	0.4908		0.4908	2005
VOTED	JAIL	11/98	0.7500	0.7298	0.9914	0.7235	1.0000	0.7235		0.6000	2017
Totals:				8.7260		8.6508		8.6508	0	8.5273	

Prepared by: Telephone No: Title of Preparer: Date:

SHARON H. KENNEDY 906 635 6304 COUNTY EQUALIZATION DIRECTOR 05/06/04

As the representative for the local government unit named above, we certify that these requested tax levy rates have been reduced, if necessary to comply with the state constitution (Article 9, Section 31), and that the requested levy rates have also been reduced, if necessary, to comply with MCL Section 211.24e, 211.34 and, for LOCAL school districts which levy a Supplemental (Hold Harmless) Millage, 380.1211(3).

BOARD OF COMMISSIONERS	Signature:	Type Name	Date:
		DIANE A. CORK	
BOARD OF COMMISSIONERS	Chairperson	Signature:	Date:
		EARL KAY	

\*Under Truth in Taxation, MCL Section 211.24e, the governing body may decide to levy a rate which will not exceed the maximum authorized rate allowed in column 9.  
The requirements of MCL 211.24e must be met prior to levying an operating levy which is larger than the base tax rate but not larger than the rate in column 9.



CHIPPEWA COUNTY EQUALIZATION DEPARTMENT

ANTICIPATED TAX REVENUE FROM 2004 AD VALOREM TAXES  
DATE: MAY 6, 2004  
REVISED:  
REVISED:

THE FOLLOWING ESTIMATES ARE RELATIVE TO THE MILLAGE S INDICATED AND ARE BASED ON THE PRESUMPTION OF ACCURACY OF THE ASSESSMENT ROLLS AS OF CLOSE OF MARCH BOARD OF REVIEW; IF ADJUSTMENTS ARE MADE TO THE ASSESSMENT ROLLS THROUGH JULY/DECEMBER BOARDS OF REVIEW OR STATE DECREE, THESE ESTIMATES WILL CORRESPONDINGLY REQUIRE ADJUSTING, UNLESS OTHERWISE NOTED.

REVENUE ANTICIPATED FROM REAL/PERSONAL REGULAR AD VALOREM TAXES

2004 TAXABLE VALUE -- REAL 753,860,124  
LESS CAPTURED TIFA VALUE (ALL) (11,993,811)  
LESS ANTICIPATED LOSS PER TRIBUNAL DECISIONS (500,000)

NET TAXABLE AFTER POTENTIAL LOSSES-REAL 741,366,313

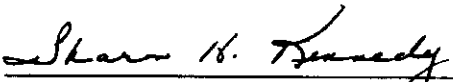
2004 TAXABLE VALUE--PERSONAL 48,789,636  
LESS ANTICIPATED LOSS PER TRIBUNAL DECISIONS  
UTILITIES APP ESTIMATE (500,000)

NET TAXABLE AFTER POTENTIAL LOSSES-PERSONAL 48,289,636

MILLAGE DESTINATION	MILLAGE	ANTICIPATED GROSS REVENUE FROM NET REAL PROP	ANTICIPATED GROSS REVENUE FROM NET PERS PROP	ANTICIPATED GROSS REVENUE TOTAL
GENERAL OPERATING	6.0373	4,475,850	291,539	4,767,389
FIRE/AMBULANCE*	0.4213	312,337	20,344	332,681
ROADS	0.9779	724,982	47,222	772,204
RECYCLE	0.4908	363,862	23,700	387,562
JAIL**	0.6000	444,819	28,973	473,792
TOTALS	8.5273	6,321,850	411,778	6,733,628

\*\*PRESUMES SAME MILLAGE RATE AS LEVIED IN 2003 (SEE LETTER TO CONTROLLER 5/6/04)

NOTE: IN ADDITION TO ADVALOREM TAXES, THE COUNTY RECEIVES A PORTION OF SPECIFIC TAXES LEVIED ON THE TAX ROLL; I.E., IFT, TIFA AND CFR TAXES. THESE OTHER REVENUES ADD APPROXIMATELY \$15,000 TO COUNTY TAX REVENUE WHICH IS DIVIDED AMONG THE VARIOUS COUNTY FUNDS ABOVE SHOWN

  
SHARON H. KENNEDY, DIRECTOR

MILLAGE REPORT

2004

UNIT NUMBER	UNIT NAME AND SCHOOL DISTRICT	SCHOOL DIST CODE	2004 TAXABLE VALUES	2003 TOTAL MILLAGE	COUNTY..... ALLOC VOTED	TOWNSHIP.... ALLOC VOTED	ISD..... ALLOC VOTED	STATE ED TAX	LOCAL		2004 MILLAGE RATE IF 100% TAXABLE PROP	2004 MILLAGE RATE IF 100% HOUSED OR QUAL AG	UNIT NAME AND SCHOOL DISTRICT	COMMENTS:
									LOCAL SCH DEBT	LOCAL SCHOL NON-HOM AG				
17 001	BAY MILLS	17-140	34,053,400	41,1580	6.0373	2.4900	NONE	0.1976	0.7922	6.0000	7.5600	18.0000	BAY MILLS	
17 002	BRUCE - SS MARIE - PICKFORD	17-010	45,976,670 553,238	37,7926 42,2122	6.0373 6.0373	2.4900 2.4900	1.6057 1.5731	0.1976 0.1976	0.7922 0.7922	6.0000 6.0000	2.5000 7.0000	17.9804 18.0000	BRUCE - SSM BRUCE - PICK	
17 003	CHIPPEWA	17-140	5,515,100	41,7479	6.0373	2.4900	NONE	0.1976	0.7922	6.0000	7.5600	18.0000	CHIPPEWA	
17 004	DAFTER - SS MARIE - RUDYARD - BRIMLEY	17-010 17-110 17-140	15,580,100 4,694,100 5,275,200	36,8094 38,0769 41,7860	6.0373 6.0373 6.0373	2.4900 2.4900 2.4900	NONE 1.6190 1.6190	0.1976 0.1976 0.1976	0.7922 0.7922 0.7922	6.0000 6.0000 6.0000	2.5000 6.0500 7.5600	17.9804 18.0009 18.0000	DAFTER - SSM DAFTER - RUD DAFTER - BRIM	
17 005	DETLOUR	17-060	36,817,150	37,8293	6.0373	2.4900	NONE	0.1976	0.7922	6.0000	3.5900	18.0000	DETLOUR	ADD VLG MILLS OF 11.7635 VLG transfer value: 12,630,000
17 006	DRUMMOND ISLAND	17-050	82,365,190	40,7715	6.0373	2.4900	1.5760	0.1976	0.7922	6.0000	3.9900	18.0000	DRUMMOND ISL	
17 007	HULBERT	48-040	6,571,750	41,0990	6.0373	2.4900	1.6425	0.1976	0.7922	6.0000	6.0900	18.0000	HULBERT	
17 008	KINROSS CHTR ***	17-110	35,716,308	40,6646	6.0373	2.4900	1.6238	0.1976	0.7922	6.0000	6.0900	18.0000	KINROSS	ADD 8.94 MILLS FOR BASE PRIC POLICE M.L.G UTILITY AUTHORITY SPECIAL ASSESSMENT
17 009	PICKFORD	17-090	33,739,807	45,5886	6.0373	2.4900	1.5944	0.1976	0.7922	6.0000	7.0000	18.0000	PICKFORD	
17 010	RABER - DETOUR - PICKFORD ***** LES CHENEAUX	17-050 17-090 49-040	14,700,900 12,028,200 62,700	40,4738 43,8748 38,5969	6.0373 6.0373 6.0373	2.4900 2.4900 2.4900	1.5666 1.5666 1.5666	0.1976 0.1976 0.1976	0.7922 0.7922 0.7922	6.0000 6.0000 6.0000	3.5900 7.0000 2.9951	18.0000 18.0000 18.0000	RABER - DET RABER - PICK RABER - LES CH	
17 011	RUDYARD	17-110	26,206,744	44,0603	6.0373	2.4900	1.6310	0.1976	0.7922	6.0000	6.0900	18.0009	RUDYARD	WATER & SEWER SPEC ASSESSMENT DIST
17 012	SOO	17-010	78,198,000	36,7887	6.0373	2.4900	NONE	0.1976	0.7922	6.0000	2.5000	17.9804	SOO	
17 013	SUGAR ISLAND	17-010	26,882,521	42,5353	6.0373	2.4900	1.5342	0.1976	0.7922	6.0000	2.5000	17.9604	SUGAR ISLAND	
17 014	SUPERIOR	17-140	29,352,520	41,7678	6.0373	2.4900	NONE	0.1976	0.7922	6.0000	7.5600	18.0000	SUPERIOR	
17 015	TROUT LAKE	17-110	18,098,100	38,0699	6.0373	2.4900	1.5861	0.1976	0.7922	6.0000	6.0900	18.0009	TROUT LAKE	
17 016	WHITFISH	17-160	47,240,085	35,6537	6.0373	2.4900	NONE	0.1976	0.7922	6.0000	6.0900	18.0000	WHITFISH	ADD 1.5 MILLS FOR WATER & SEWER SPEC ASSESSMENT DIST
17 051	CITY OF SS MARIE ****	17-010	242,017,276	56,9784	6.0373	2.4900	1.6108	0.1976	0.7922	6.0000	2.5000	17.9804	CITY OF SS MARIE	

NOTE: UNIT CODE FOR DETOUR VILLAGE IS 17 041. VILLAGE LEVIED 13.7855 MILLS IN JULY 2004. BEGINNING IN 2003, THE STATE EDUCATION TAX IS LEVIED IN JULY.

\*\*\*\*\*SCHOOL DISTRICT LEVIED 10.2002 MILLS IN SUMMER IN CITY OF SS MARIE CHTR.

\*\*\*\*\*KINROSS CHARTER TWP HAS AN INDUSTRIAL FACILITY TAX (IFT) DISTRICT VALUED AT \$46,199,074. RENTED AD VALORSED MILLAGES ARE LEVIED AT LESS THAN FULL RATES.

\*\*\*\*\*THE CITY OF SAULI STE MARIE HAS THREE TAX INCENTIVES: FINANCING AUTHORITY (FINA) WITH A TOTAL CAPTURED VALUE OF \$1,953,801 WHICH SUM IS SUBTRACTED FROM ITS TAXABLE VALUE FOR COMPUTATION OF TOTAL AD VALOREM TAXES; THE CITY ALSO HAS AN IFT DISTRICT VALUED AT \$6,976,890 TAXED AT LESS THAN FULL RATES.

\*\*\*\*\*DEBT MILLAGE SHOWN FOR LES CHENEAUX SCHOOL INCLUDES A SINKING FUND LEVY OF .4851 MILL.

\*\*\*\*\*NOTE: CHIPPEWA COUNTY HAS APPROXIMATELY 60,000 ACRES WHICH ARE SUBJECT TO THE COMMERCIAL FOREST ACT & THEREFORE SUBJECT TO A SPECIFIC TAX RATE OF \$1.10 PER ACRE.

THIS DOCUMENT PREPARED BY: SHARON H. KENNEDY, EQUALIZATION DIRECTOR 10/14/04 FOR PRESENTATION TO THE EQUALIZATION & APPOINTMENT COMMITTEE 10/05/04